



Electricity Oversight Board

Daily Report for Wednesday, May 14, 2003

On Wednesday, the zonal prices remained split for NP15 and SP15. Prices dropped for SP15 at \$39.87/MWh down from Tuesday's \$53.59/MWh, while NP15 fell sharply to \$9.49/MWh from \$45.01/MWh on Wednesday. Path 26 congestion in the North-to-South direction resulted in price split for North and South. The zonal price remained high at SP15 partly as a result of:

- Higher natural gas prices. The natural gas prices increased another 4 percent on Wednesday, following a 4 percent increase over the past two days. The average natural gas price increased from \$5.28/MMBtu on Monday to \$5.53/MMBtu on Wednesday.
- Warm weather conditions across California resulted in cooling demand.
- Lower hydro generation availability. Cooler temperatures in the Northwest have reduced runoffs.

The sharp drop in the zonal prices for NP15 are due to:

- Congestion on Path 26 in the North-to-South direction resulted in lower prices at NP15.
- Healthy generation levels. The total generation off-line on Wednesday reduced by over 450 MW from the previous day.

CAISO notices: Transmission line capacity for NOB (Path 65) was reduced by over 140 MW, in the North-to-South direction, for the hours between 3 p.m. and 12 p.m.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

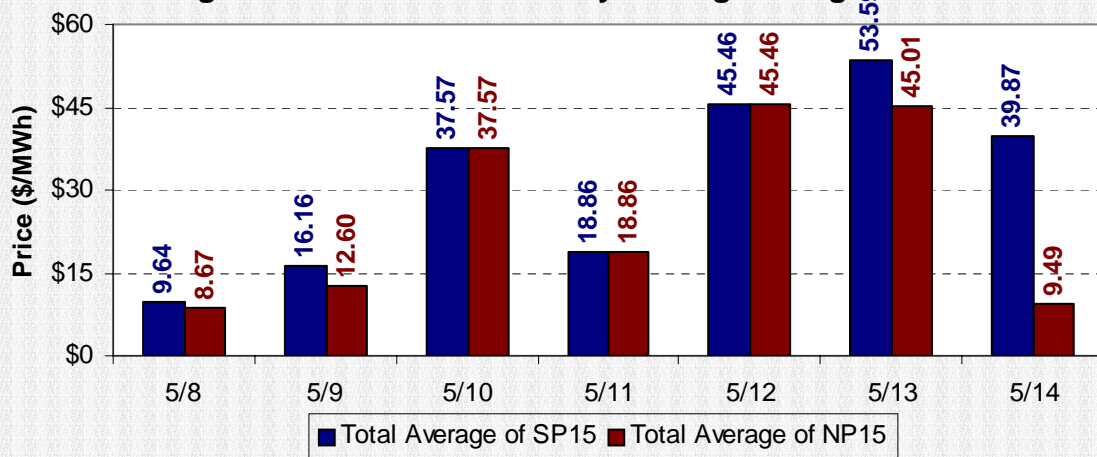
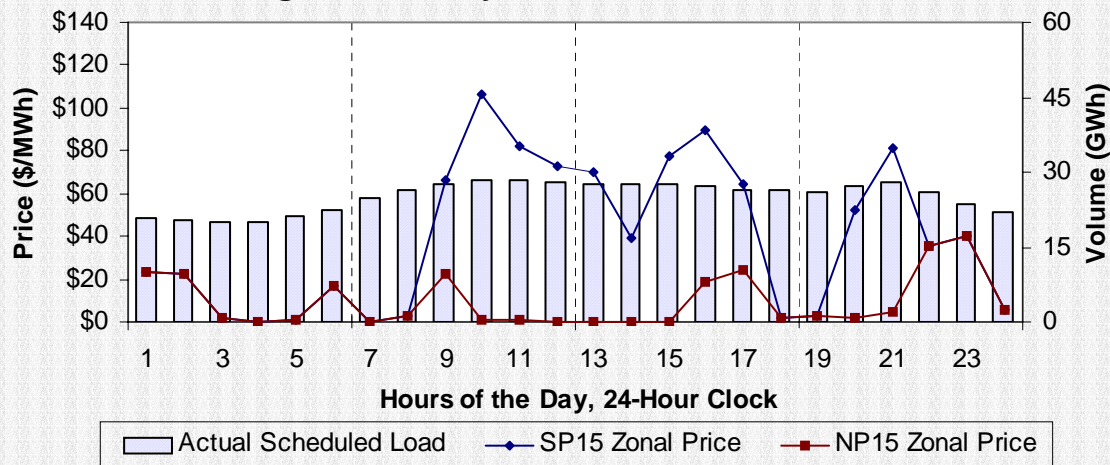


Figure 2 - Hourly Zonal Price and Volume





Electricity Oversight Board

Page 2 of Daily Report for Wednesday, May 14, 2003

Figure 3 - On-Peak Average Price by Market Area

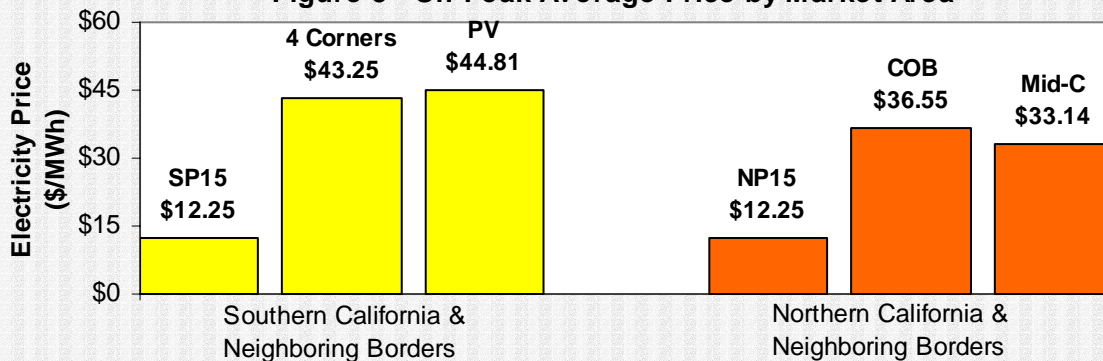


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

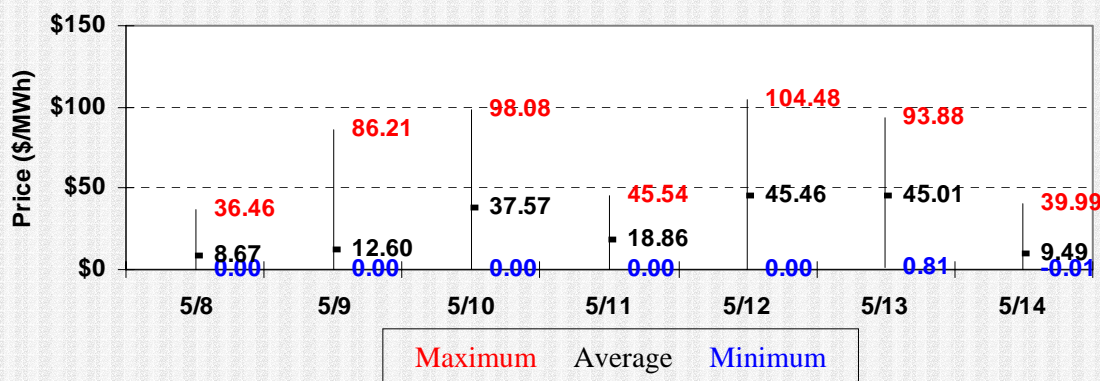


Figure 5 - Average Natural Gas Price

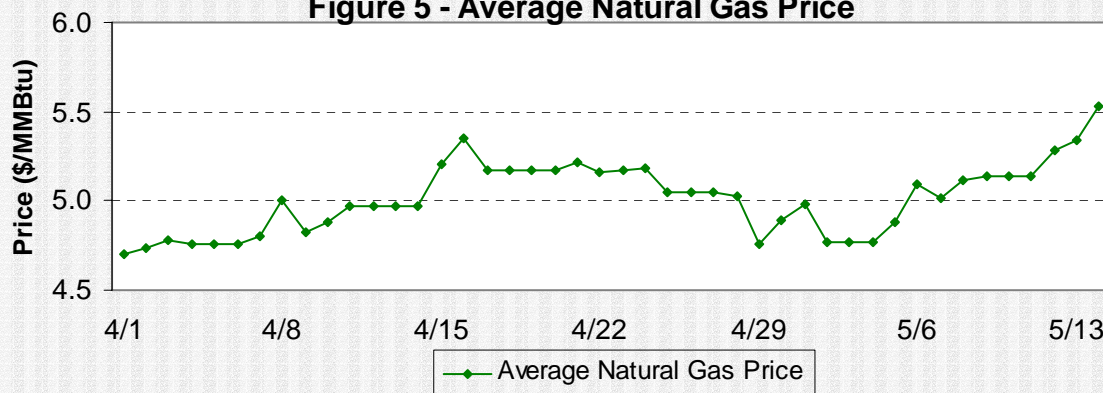


Figure 6 - Average Daily Zonal Price & Total Actual Load

